4. Contesting elections without explicit written permission, to be deemed as gross misconduct.

5. Misbehaviour towards customers shall that amount to gross misconduct attracting disciplinary action.

Recovery of the Inland Air Travel Tax from the Defaulted Private Airlines

2227. SHRI SOM PAL :

SHRI S. MUTHU MANI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that several private airlines are not paying the Inland Air Travel Tax (IATT) so collected from the passengers to Government;

(b) if so, the airlinewise details of amount outstanding to be paid by them; and

(c) what action has been taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Details as per statement enclosed. (*see* below)

(c) In all the cases of default, necessary action under the Finance Act, 1989 read with the Inland Air Travel Tax Rules, 1989, has been initiated.

Statement

Name of the Airline	Period	Outstanding amount (Rs. lakhs)
i) M/s. Jagson Airlines	1992-93	5.81
ii) M/s. Continental Aviation Pvt. Ltd.	1991-92 & 1992-93	74.86
iii) M/s. City Link Airways	1992-93	60.15
iv) M/s. East West Airlines	1992-93	77.00
v) M/s. Raj Aviation	1994 (Jan.-Apr.)	46.64

Apart from the aforesaid amounts, show cause notices have also been issued to the following airlines for determination of the amounts of Inland Air Travel Tax alleged to have not been paid:

i) M/s. East West Airlines.
ii) M/s. Air Asiatic Ltd.
iii) M/s. Goaways Aviation Pvt. Ltd.

Excise Duty on Paraffin Wax

2228. SHRI S. MUTHU MANI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the excise duty is charged on Paraffin Wax @ 10% since 1st March, 1994, manufactured out of Excise Duty paid Slack Wax;

(b) whether it is also a fact that the Paraffin Wax and Slack Wax are being charged Excise Duty under the same chapter, heading and sub-heading i.e. 2712.20;

(c) whether Government are considering to exempt excise duty on Paraffin Wax produced from the Slack Wax, for which Excise Duty has already been charged;

(d) whether it is also a fact that the paraffin wax producers in large scale sector are paying Excise Duty @ 10% on Paraffin Wax out of the slack wax produced by them in the same Units;

(e) whether it is a fact that the SSI Units are also unable to avail of the MODVAT benefit considering the fact that their turn-over largely remains below Rs. 30.00 lacs in every Financial Year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) Petroleum waxes, all sorts, are classifiable under sub-heading No. 2712.20 of Central Excise Tariff and are leviable to excise duty of 10% ad valorem. Paraffin wax and slack wax fall under the same sub-heading No. 2712.20. Paraffin wax produced out of duty paid slack wax is also subjected to excise duty of 10% ad valorem. However, duty paid on the slack wax is available as input credit under Modvat scheme. At present, there is no proposal under the consideration of the Government to exempt paraffin wax produced from duty paid slack wax.

(d) The producers of paraffin wax who also produce slack wax for captive use pay duty @ 10% at the paraffin wax stage.

(e) SSI units have option to pay duty and avail of MODVAT benefits even if their turnover remain within Rs. 30 lacs in a financial year.